Committee On Finance
Max Baucus, Chairman

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STATEMENT BY CHAIRMAN MAX BAUCUS
SENATE FINANCE COMMITTEE
OMNIBUS TRADE BILL OF 2002

Yesterday the Senate began debate on the Trade Act of 2002. This legislation includes three bills reported by the Senate Finance Committee last year:

(1) an extension of fast track negotiating authority – also known as Trade Promotion Authority;

(2) an expansion and improvement of the Trade Adjustment Assistance program; and

(3) the Finance Committee's version of the Andean Trade Preferences Act, or ATPA.

As the debate moves forward, I suspect other international trade matters may also appropriately be attached to this bill. The Trade Act of 2002 will be the first major rewrite of international trade legislation in 14 years. If passed, it will be, as the *National Journal* has said, "a historic breakthrough."

THE IMPORTANCE OF TRADE

So why are we taking up a trade bill? What does this bill – and the expanded trade that will follow – mean for this country? Of course, trade means jobs. Twelve million Americans – one out of every ten workers – depend on exports for their jobs. And these are jobs that pay more – thousands of dollars more per year – than jobs unrelated to trade. Trade supports jobs in all sectors. We often think of trade as helping big multi-national companies. In fact, firms with fewer than 20 workers represent two-thirds of American exporters. And U.S. agriculture exports support more than 750,000 jobs.

Trade also means choice. It means more affordable products and more variety for American families. It means that hard-earned paychecks go further. In many ways, new trade agreements are like a tax cut for working families. Studies have suggested that the average family of four sees annual benefits of between $1300 and $2000 because of the agreements we negotiated in the last decade. And according to a recent University of Michigan study, if we complete the next round of negotiations under the World Trade Organization, it could increase that benefit by as much as $2500 – per family, per year. But trade is about more than simple

economics. When we trade with countries, we don't just export corn and cars, we export our ideas, and our values – and we export freedom. Trade between nations creates opportunities for both parties – it can help lift countries out of poverty, while strengthening our relationships around the world. I think Adlai Stevenson probably said it best 50 years ago:

> "It is not possible for this nation to be at once politically internationalist and economically isolationist."

Look at our agreement with Jordan as one example. It has a relatively small effect on our economy – our trade with Jordan is only about $600 million per year. But it has an important impact on Jordan's economy – and it has cemented our relationship with a key Middle East ally. Similarly, part of this legislation provides trade benefits to Andean countries. The main benefit of this legislation will be to help move workers out of the illegal drug business, and into legitimate lines of work. But to do that, they need more access to our market. So that is what's at stake in this debate.

FAST TRACK

The most talked-about provision of this legislation, of course, is the extension of fast track trade negotiating authority to the President. At its core, the fast track grant in this legislation is very similar to the legislation that first granted fast track to President Ford in 1974.

I am often asked why we need fast track – and why now? In essence, fast track is a contract between Congress and the Administration. It allows the President to negotiate trade agreements with foreign trading partners with a guarantee that Congress will consider agreement as a single package – no amendments and a guarantee of an up-or-down vote by a date certain. In return, the president must pursue a number of negotiating objectives that Congress has outlined in the legislation. And he must make Congress a full partner in these negotiations, fully consulting with Members as the talks proceed.

Now make no mistake, fast track is a significant grant of congressional power to the President. But it is excruciatingly difficult to negotiate the best possible multilateral trade agreements unless our trading partners know that Congress will vote on the agreement negotiated. Indeed, it was our experience in the 1970s – when the Europeans refused to negotiate with us after Congress failed to implement an agreement – that led to the creation of fast track. Without fast track, our trading partners learned that they could anticipate one round of negotiations with the President, and a second with Congress. Fast track also demonstrates that the President and Congress go into negotiations with clearly defined and unified objectives. Again, that is critical – if our trading partners are uncertain that the deal will stick, they won't put their best deal on the table.

Is it possible to negotiate some agreements without fast track? It's certainly possible with simple bilateral agreements – as was the case with Jordan. But – while Jordan is a landmark agreement in many areas – it has to be put in context when talking about fast track procedure. The Jordan Agreement, as I noted earlier, was a relatively easy agreement: it involved only two

countries and affects a very small amount of trade – roughly $600 million. Major multilateral agreements can affect many more countries and billions in trade. The FTAA is an agreement involving 34 countries; the WTO involves nearly 150. For these agreements, fast track remains a necessity. Even bilateral agreements will go much more smoothly with fast track. In the case of Chile, for example, we are still talking about a much more complex agreement than Jordan. It will affect approximately $6 billion in trade – ten times more than the Jordan Agreement and improving the chances of agreements like Chile is vital to our economy.

Let me give you one example. Canada has already signed free trade agreements with several countries, including Chile. That has an impact on U.S. competitiveness: As a result of the Canada-Chile Agreement, Chile eliminated its tariffs on Canadian wheat. U.S. wheat exports to Chile, on the other hand, still face tariffs as high as 30 percent, making Canadian wheat much more attractive to Chilean buyers. We must negotiate these agreements if we are going to compete – and fast track will make it easier. People often note that we don't have fast track for treaties – such as nuclear arms treaties. That's true – and while these treaties are *important* – they are often less *complex* in the sense that they don't involve literally thousands of interrelating trade-offs and concessions – as trade agreements do.

Now turning to the bill itself – and specifically to the negotiating objectives on a number of topics. With regard to agriculture, a topic near and dear to many in this body – and certainly one of my highest priorities – the legislation directs the President to seek new markets for American agricultural products and to continue to work to lower the trade-distorting subsidies of our trading partners.

On a more traditional topic, the legislation also directs the President to continue to negotiate the reduction and elimination of tariffs, while recognizing the sensitivity of tariffs in a few sectors. The United States has already lowered its average tariff rate to about 3 percent. Generally, tariffs are similarly low in major developed countries. In a few important cases, however, such as Japanese tariffs on wood products, and Europe's tariffs on semiconductors, tariffs remain a significant trade barrier. And in many developing countries, tariffs remain at levels that stifle trade, in some cases 100 percent or more.

The bill also directs the President to address some of the new issues, such as e-commerce. By acting to negotiate agreements now, before protectionism has taken root, hopefully trade in e-commerce can remain relatively free.

Each of these objectives is critically important. However, most of the debate in the other body and in the press has focused not on the important issues I have listed, but on three trouble spots in trade negotiations:

First – labor rights and environmental issues in trade agreements.
Second – protection of the right of the U.S. to promulgate environmental and other regulations in connection with so-called investor-state dispute settlement provisions, commonly know as "Chapter 11" provisions.

And third – the integrity of US trade laws.

Turning to those difficult issues now:

First, labor rights and environmental protection issues. These issues have now firmly and irreversibly made their way on to the trade negotiating agenda. Those who continue to ignore that reality are simply burying their heads in the sand. The appropriate manner to address those issues, however, is not obvious – and has been the subject of heated debate for more than a decade. The dispute over this issue has kept the Congress deadlocked on fast track for nearly a decade. Fortunately, U.S. trade negotiators have made some important progress. In negotiating a free trade agreement with Jordan, the United States brought labor rights and environmental protection into the core of the trade agreement. Two central approaches were taken on these issues:

First, both parties agreed to strive for the labor standards articulated by the International Labor Organization, and for similar improvement in environmental protection.

Second, both countries agreed to faithfully enforce their existing environmental and labor laws and not waive them to gain a trade advantage.

In addition, both parties to the Jordan Agreement agreed to pursue a number of cooperative efforts to improve labor rights and environmental protection. In my opinion, these provisions of the Jordan Agreement provide a concrete demonstration of the way to break the deadlock on labor rights and the environment. Last year, I encouraged some of my colleagues in the other body to pursue Jordan-like provisions as the basic model for a fast track bill. In drafting the fast track legislation, the House New Democrats and Republicans wisely agreed to use those provisions as a model for the language in the fast track legislation.

In the Senate bill, we accepted the legislation on this topic and made clear in the report that the legislation fully adopts the Jordan standard on labor and environment matters. Unfortunately, some in the House opposed this language as not going far enough and urged legislation to force compliance with ILO labor standards. I support the ILO, and I believe the Jordan-based approach moves the trading regime in right direction – that is, looking to the ILO for guidance on appropriate labor standards.

With due respect, however, I believe that those who advanced this proposal – and those who may later advance it in the Senate debate – are simply going too far. The ILO standards are a starting point, but they were not meant to be used in this manner. It may be that through experimentation we can strengthen the linkages between trade agreements and the ILO. Indeed, that is the ultimate goal of this legislation. But trying to accomplish this in one fell swoop will only set back both trade agreements and the ILO. Quite frankly, whatever the intentions of the authors, proposals like this are likely to be fatal – both to fast track and future trade negotiations.

Chapter 11

Another environment-related issue that has arisen in recent months pertains to investor-state dispute settlement, also known as “Chapter 11," in reference to the provisions on this topic in NAFTA. The genesis of Chapter 11 is the legitimate concern of some U.S. investors that other countries often do not provide adequate protections of their investments. Investors have had many experiences of being poorly treated and having little recourse to air their legitimate concerns. NAFTA’s Chapter 11, and similar provisions in other agreements, are designed to address this problem. They define a basic set of investor rights under international law. The concepts are comparable to basic rights under U.S. law. They include the right to just compensation when the government takes your property, and the right to be treated fairly and equitably by the government.

Significantly, Chapter 11 provides an alternative to local courts for the adjudication of complaints about a government’s actions. Investors are allowed to challenge such actions before special arbitration panels. It is appropriate to pursue such provisions in trade agreements, but investor rights are not the only concern. Unfortunately, some of the complaints brought under Chapter 11 have clearly been aimed at stifling legitimate regulations. The challenge by the Canadian company Methanex against a legitimate California regulation on a gasoline additive is the most visible case-in-point. Defenders of Chapter 11 note that most of these cases have not resulted in panel rulings against regulatory authorities. This is correct, but it is also part of the problem. Chapter 11 panels have demonstrated no ability to rapidly dismiss frivolous cases. This results in extended litigation on claims that should simply be thrown out, such as the Methanex case.

These legitimate concerns must also be addressed. The bill before us today attempts to balance the needs of U.S. investors with the legitimate needs of regulatory agencies and the concerns of environmental and public interest groups. The bill directs trade negotiators to seek provisions that keep Chapter 11-type standards in line with the standards articulated by U.S. courts on similar matters. It urges the creation of a mechanism to rapidly dispose of and deter frivolous cases and it urges the creation of a unified appellate body to correct legal errors and ensure consistent interpretation of key provisions.

I know some would like to go further in striking a new balance on investor-state issues. As the debate proceeds, I look forward to working with them on the issue, but I urge my colleagues to keep in mind that there are several legitimate interests that need to be balanced.

Trade Laws

The second difficult issue within fast track is how we ensure fair trade. After being involved in international trade policy for more than two decades, I am struck by how often the issues that shape congressional thinking on trade are not trade negotiations, but rather the Administration’s effort to enforce trade laws. Although the point is often lost, the U.S. is the most open major market in the world. Our tariffs are quite low and there are very few non-tariff barriers to trade.

Despite complaints from some of our trading partners, the U.S. market is clearly far more open than that of our major trading partners, such as Japan and Europe – both of which cast stones at the United States from behind titanic barriers to agricultural trade.

To keep the playing field relatively level and battle foreign protectionism in the form of subsidies and dumping – selling at cutthroat prices – the United States and most other developed countries maintain antidumping and countervailing duty laws. Another critical U.S. trade law – Section 201 – aims to give industries that are seriously injured by import surges some time to adapt. Section 201 was recently employed to good effect to provide the steel industry that breathing room, but it has previously been used on a range of other products – from lamb meat to motorcycles. Although the exact percentages can vary from year, over the last two decades, these laws collectively have applied duties to less than one percent of total imports. And they are completely consistent with U.S. obligations under the World Trade Organization. Yet somehow, the United States has lost the public relations war on this topic. Somehow, our trading partners and importers have convinced some editorial writers that these laws are protectionist. Nothing could be further from the truth.

Antidumping and countervailing duty laws combat trading practices that have been condemned for a century. Subsidies and dumping are too frequently used by foreign countries and companies to devastate U.S. industries. Consider the U.S. semiconductor industry in the mid-1980s and the U.S. lumber industry today. Rather than being protectionist these laws are the remedy to protectionism.

On a political level, these laws also serve as a guarantee to U.S. industries and U.S. citizens. They say that trade will be fair as well as free, and that temporary relief is available if imports rise to unexpected levels. Without those critical reassurances, I suspect that the already sagging public support for free trade would evaporate, and new trade agreements would simply become impossible. To address this issue, the bill takes two important steps.

First, it identifies several recent dispute settlement panels under the WTO that have ruled against U.S. trade laws and limited their operation in unreasonable ways. These decisions clearly go beyond the obligations agreed to in the WTO and undermine the credibility of the world trading system. If they are not addressed, I suspect public support for trade will erode further. That is why our concerns regarding these cases are identified at the very outset of the bill – as findings – and why the Administration is directed to develop a strategy to counter or reverse these decisions or lose fast track.

This bill also directs negotiators not to negotiate new trade agreements that undermine U.S. trade laws. I am frankly concerned that this Administration has already put itself in a position in which U.S. trading partners will push hard to weaken U.S. trade laws in WTO negotiations. This issue is serious enough that I carefully weighed whether the benefits of new trade agreements were worth this risk. I went forward only because I believe there are strong majorities in both Houses of Congress to block efforts to weaken U.S. laws. I am concerned that additional steps on U.S. trade laws may go too far, but I hope the Administration's trade

negotiators take careful note of these directions. Otherwise, they are headed for conflict with Congress.

The portions of the fast track bill have been described. They are not perfect. Were it not for the need to address the concerns of Senators on the other side of the aisle, I would have gone further in several areas. There are also provisions that I think are unnecessary. But that is the nature of bipartisan compromise. In the end, though, the Finance Committee reported the fast track bill by a vote of 18-3. This indicates to me that we are close to finding a balance.

One final point – especially for my friends on the left. This is the most progressive fast track bill the Congress has ever moved to pass. It is a vast improvement over past grants of fast track on many of the issues I have just highlighted. It is not a perfect bill, but it is a very good bill. I urge my colleagues not to allow the perfect to become the enemy of the good.

TRADE ADJUSTMENT ASSISTANCE

I noted previously that many people have asked the simple question – why a trade bill? Why now? A big part of the reason is that we now have a unique opportunity to expand and improve Trade Adjustment Assistance. And quite frankly – this would be impossible absent fast track. We can only do this in the context of a larger trade bill. So let me turn now to what I view as the most important part of this legislation – and certainly the part that I am the most proud of – TAA.

TAA is a program with a simple, but admirable, objective: To assist workers injured by imports to adjust and find new jobs. This is an objective that I suspect almost all Americans can support. TAA was created back in 1962 as part of an effort to implement the results of the so-called Kennedy Round agreement to expand world trade. President Kennedy and the Congress agreed that there were significant benefits to the country as a whole from expanded trade. They also recognized, however, that some workers and firms would inevitably lose out to increased import competition. TAA was created as part of a new social compact that obliged the nation to attend to the legitimate needs of those that lose from trade as part of the price for enjoying the benefits of increased trade. Unfortunately, we have not always upheld that bargain in pursuing new trade agreements. Over the years we have failed to provide adequate funding. We have scaled back benefits. We have tightened eligibility requirements and we have neglected to recognize the need for expanded training and healthcare assistance. This legislation aims to fulfill the bargain struck in 1962. It does not – as some extreme voices have asserted – make TAA more attractive than having a job. In the end, TAA recipients must still get by on about $250 per week while receiving retraining for a new job. But it does make several important changes in the TAA program to make it more effective:

First, it extends the period for which TAA pays out income support from 52 to 74 weeks. This allows TAA recipients to stay in the program long enough to complete training for new jobs. And it remedies a shortcoming in the current program that many observers, including the General Accounting Office, have pointed out.

Second, this legislation expands eligibility for TAA benefits to so-called secondary workers. This has been a controversial provision, so I'll explain it in some detail. Secondary workers are secondary only in the minds of some of the bureaucrats administering TAA. These are workers who have lost their jobs due to imports just as surely as those receiving TAA now. But they have the misfortune of working for a company or plant that supplies input products to a plant that closed or reduced production because of trade. The shortcomings of current law are demonstrated by the following example: If an auto plant must close down because of competition from Japanese imports, the workers at that plant would be covered by TAA. The workers down the road, however – those who make windshield wipers or tires for the now closed plant – would be secondary workers and not covered. This is simply unjust and it is why so many, including the GAO and the Trade Deficit Review Commission, which included two members of the Bush Cabinet, have advocated expanding TAA to cover secondary workers.

When Congress passed the NAFTA in 1994, President Clinton agreed to expand TAA to secondary workers for imports from NAFTA countries. We also agreed to extend TAA when a U.S. manufacturing plant moves abroad to one of the NAFTA countries. These limited applications demonstrate that both provisions on secondary workers and plant shifts are workable. It was the expectation at the time that we passed NAFTA that these provisions would be expanded to all trade. As Mickey Kantor, who was USTR at the time, has said:

> "At the time [that NAFTA was passed] it was everyone's expectation that these programs would be extended to non-NAFTA countries."
>
> "And that makes sense – workers who lose their jobs because of imports from Europe, for example, are just as deserving of assistance as workers who lose their jobs because of imports from Canada. The legislation before the Senate harmonizes these programs. This is long overdue."

Third, this legislation expands benefits for TAA workers. This legislation authorizes $300 million for training workers receiving TAA – nearly tripling the program. The legislation will also extend assistance in obtaining healthcare insurance to TAA recipients. Now, the call for extending healthcare insurance assistance has proven the most controversial aspect of this legislation. But it is important for all Senators to understand that this concept was originally advanced by the bipartisan Trade Deficit Review Commission – a group that had many prominent Republican members, including Ambassador Robert Zoellick, Secretary of Defense Donald Rumsfeld, and former USTR Carla Hills.

I would emphasize that the recommendation for transitional health insurance was supported unanimously by the Commission. In our bill, we have tried to find an appropriate middle ground. For workers who are eligible for COBRA, this bill would provide a 73% tax credit for those payments. For workers not eligible for COBRA, this bill would provide a 73% tax credit for the purchase of certain state-based group coverage options. The tax credits for both categories of workers would be fully advanceable and refundable. In addition, in recognition of the fact that it may take States some time to get these group-coverage options up and running, we provide interim assistance through the NEG program.

Fourth, this legislation also extends TAA programs specifically targeted to family farmers, ranchers, and fishermen. The legislation aims to correct some problems in the current legislation that have kept farmers and fishermen – who are typically self-employed – from benefitting from TAA. The provision on farmers is taken from legislation introduced by Senator Conrad and the Ranking Member of the Finance Committee, Senator Grassley. The provisions on fishermen were prepared by Senator Snowe, who has contributed immensely to this legislation.

Finally, this bill creates what amounts to a pilot program on wage insurance. Wage insurance is essentially an alternative approach to addressing worker adjustment. In essence, wage insurance provides a government payment to older workers who lose their jobs because of trade and decide to take a lower paying job rather than go through training. The government payment would run for up to two years and would make up half of the difference between the new wage and the old wage. The concept is that workers may actually be able to adjust more quickly if they move back into the workforce and learn new skills on the job. Experience suggests that the workers that do take a lower paying job are often able to make up much of the difference between the new wage and the old wage as they gain experience. There are those who would like to abandon traditional TAA entirely in favor of wage insurance. If this experiment succeeds, that may be just the course we decide to take in a few years. At this point, however, there are just too many questions to be answered to turn TAA entirely into a wage insurance program.

One final point on cost. I should note – we often talk about the vast benefits of trade. More jobs, higher paying jobs, cheaper products. I indicated earlier that the average family of four sees annual benefits in the thousands of dollars, yet I am sure that some of my colleagues on the other side of the aisle will complain that TAA costs too much. But the reality is, it would cost the average family of four about $12. It is an inexpensive way to build support for trade. All told, this bill amounts to a major expansion and a historic re-tooling of TAA – a step that is long overdue. It attempts to adopt the positive experiences we have had with expanding TAA to secondary workers in the NAFTA, adopt the recommendations of the GAO and the Trade Deficit Review Commission, adopt good ideas from the academic world, and generally turn TAA into a program that truly works. I suspect when we look back on this legislation in twenty years it will be these provisions on TAA, which attempt to fulfill the promise made by President Kennedy nearly forty years ago, that are found to be truly historically significant.

ANDEAN TRADE PREFERENCES ACT

Finally, this legislation also extends and expands the trade preferences given to the Andean countries – Peru, Bolivia, Columbia, and Ecuador. The United States had extended these preferences to our friends in Andean America until they expired last year because we wanted to provide the citizens of those countries with an alternative to the illegal drug trade and to shore up our relationship with important allies.

In the legislation we are considering today, the Finance Committee chose to expand ATPA to new products, such as textiles and apparel and canned tuna. I know these expansions are controversial, but they are critical to the beneficiary countries.

Fighting the war on drugs is an uphill battle for these countries. They cannot fight that battle unless legitimate, value-added sectors of their economies are encouraged and developed. This bill expands ATPA in a responsible way. The legislation also creates a petition process to give interested parties a channel for bringing to the Administration's attention issues that may warrant limitation of a country's benefits. This will ensure that the United States pays adequate attention to other issues in these relationships, such as labor rights and enforcement of arbitral awards.

Lastly, I would note that this legislation includes technical changes from the Committee mark, including an exclusion of certain footwear products.

MONTANA

Let me end by talking about the importance of trade in my home state of Montana. As in most states, trade plays a critical role in Montana's economy. From 1993 to 2000, Montana's exports grew by 126 percent – nearly double the 68 percent growth in total U.S. exports of goods. According to the U.S. Department of Commerce, nearly 6,000 Montana jobs depend on exports of manufactured goods. And more than 730 companies, mostly small- and medium-sized businesses, export from Montana.

Farmers and ranchers are also increasingly dependent on trade and continuing to open foreign markets. One in every three U.S. acres is planted for export – making U.S. farmers 2½ times more reliant on trade than the rest of the economy. Unfortunately, barriers to U.S. agriculture products remain extremely high. Agriculture tariffs average more than 60 percent worldwide. By comparison, average tariffs on industrial goods are less than 5 percent. Non-tariff trade barriers, like quotas, have all but vanished from trade in manufacturing – but these barriers remain common in agriculture. U.S. agriculture exports have suffered as a result of these barriers. Indeed, because agriculture is the most distorted sector of the global economy, it is also the sector most in need of trade liberalization.

Some existing agreements have provided significant improvements. NAFTA – while far from perfect – has resulted in increased agriculture exports to both Mexico and Canada. In 1993, the year that NAFTA was passed, Montana's agriculture exports to Mexico totaled $1.2 million. In 2000, that number had increased to nearly $4.7 million. Montana's agriculture exports to Canada have increased even more dramatically – from roughly $12 million in 1993 to $110 million in 2000.

The U.S. must make agriculture a priority in future negotiations, and in fact, agriculture is the highest priority for new global trade negotiations under the WTO. Countries have agreed to work toward phasing out all export subsidies; make improvements in market access; and eliminate disguised trade barriers such as in the beef hormones dispute with the European Union.

These negotiations can only help in leveling the playing field for American farmers and ranchers, so trade is clearly important for Montana's farmers and ranchers, for its small businesses, and for its workers. Yet support for trade in Montana – as in the rest of the country – has faded in recent years. In part, I believe, that is due to the fact that people are more aware of the downside of trade than the upside of trade.

When workers are laid off as a result of imports, that is highly publicized – and widely noticed. Yet few people realize that trade agreements have provided – by some accounts – benefits to families worth thousands of dollars annually. And importantly, we have not done enough in this country to help those workers who are displaced because of trade. That is why a comprehensive trade bill – one that includes both fast track and TAA – is so important.

CONCLUSION

This legislation is certainly controversial. As I noted, fast track alone has proven so divisive that it has been deadlocked in the Congress for most of a decade. I know some of my distinguished colleagues – Senator Byrd and Senator Hollings, for example – have both substantive and procedural concerns. Let me say briefly here that I respect their opinions, and value their insight. We disagree about trade – but their concerns are heard and I will address their concerns more fully as this debate goes on. In the end, though, it could be said that everyone would like to see changes in this bill – in one direction or the other. But I believe strongly that this legislation represents a sound balance on all fronts.

Forty years ago, President Kennedy asked Congress to grant him new trade negotiating authority. It was a much simpler bill – at a time when trade issues were more narrowly defined. But it was still quite controversial – for many of the same reasons that trade remains controversial today. President Kennedy emphasized the importance of trade – for our economy, for our workers, and for American leadership. Yet he recognized even then that trade also creates dislocation – and that a new program, Trade Adjustment Assistance, was needed to aid workers adversely affected by trade. The President, urging support for his proposal, said this:

> "At rare moments in the life of this nation an opportunity comes along to fashion out of the confusion of current events a clear and bold action to show the world what we stand for. Such an opportunity is before us now."

Congress seized that opportunity and passed the Trade Expansion Act of 1962. Today we, too, can show the world – and America – what we stand for. Building not only on the vision of President Kennedy – but also on the efforts of the Presidents who followed him – we can show the world that America will lead the way in building a new consensus on international trade. We too must seize this opportunity.